

**MINUTES
CITY OF ST. CHARLES, IL
GOVERNMENT OPERATIONS COMMITTEE
MONDAY, OCTOBER 20, 2014**

1. Opening of Meeting

The meeting was convened by Chairman Turner at 7:15 p.m.

2. Roll Call

Members Present: Chair. Turner, Ald. Stellato, Silkaitis, Payleitner, Lemke, Bancroft, Martin, Krieger, Bessner, and Lewis

Absent:

3. Omnibus Vote - None

4. Finance Department

- a. Recommendation to approve estimated amount of 2014 Property Tax Levy in the amount of \$21,471,397.**

Chris Minick: Enclosed in the packets tonight is a request to set the preliminary estimate of the property tax levy for the City. Each and every year we need to make an estimate of this annual property tax levy. This begins the process of formally levying the taxes. State statutes further require a public hearing regarding the property tax levy. Staff will make a complete presentation of the proposed property tax levy prior to the public hearing. Tonight's requested action merely sets the amounts to be used in the notice of publication of the public hearing in December and does not obligate the City to a specific tax levy amount. The amount of the levy can be changed from the preliminary estimate until finalized in the spring of 2015. The value on which the tax rate is figure (EAV) of the City is estimated to decrease by approximately 3% for the 2014 tax levy.

The levy must be in place and on file for each of the individual counties prior to the final Tuesday in December. What happens next in January is the City will abate the debt service levies as part of the tax levy process. Then in late March, early April we finalize the levy once we get the final information from both DuPage and Kane counties.

The amount of this year's tax levy estimate is \$21,471,397 and that represents an amount of 0.26% decrease from the prior year, due to a decrease in the debt service portion of the levy. Although the debt service levy must be included in the estimate, the City has traditionally abated this amount and paid for bond debt service from non-property tax revenue streams. Staff anticipates a similar process for the 2014 levy. If this occurs, the \$8.976 million reflected as debt service will be removed from the final levy.

The dollar amount of the operations levy is consistent with the prior year. CPI/inflation for the 2014 tax levy was measured at 1.50%. Non-home rule units are required to limit the increase in the

levy to CPI. As a home rule community, the City has no such restriction. For 2014, the City has taken the conservative measure of holding the amount of the operation tax levy at the same level since the 2009 levy.

To recap we are requesting a levy estimate in the amount of \$21,471,397 which is 0.26% lower than the prior year and staff does recommend approval.

Motion by Ald. Stellato, second by Silkaitis to recommend approval of estimated amount of 2014 Property Tax Levy in the amount of \$21,471,397.

Voice Vote: Unanimous; Nays: None. Chrmn. Turner did not vote as Chairman. **Motion carried.**

b. Recommendation to accept Fiscal Year 2013-2014 Comprehensive Annual Financial Report.

Chris Minick: Tonight I will give you an overview of the 2013-2014 Comprehensive Annual Financial Report (CAFR) and results of operation for the fiscal year ending April 30, 2014. The CAFR was distributed on October 10, 2014 to members of the Council. State statutes require the City to have an audit performed by an independent CPA on an annual basis and over the last several years we have contract with Sikich to do this. The auditor certifies that the financial statements are presented in accordance with Generally Accepted Accounting Principles (GAAP).

For 2013-2014 the City received an unmodified opinion on its financial statement presentation in the CAFR. This is the best audit opinion an entity can receive and it signifies that the City's financial statements are presented in accordance with GAAP.

Chris did a walk through presentation on some of the highlight areas of the CAFR. He touched on the General Funds (page 24), Balance Sheet (pages 22/23), Comparison Chart of General Fund (page 75), and Utility Funds (page 26).

For the 2012-2013 fiscal year, the City received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). This is our 28th consecutive year for this award and we've submitted the 2013-2014 Comprehensive Financial Report to GFOA for consideration of the same award; we should find that outcome in spring 2015.

Several Aldermen and Mayor Rogina commended city staff on their good work in continuing to keep costs down.

Motion by Ald. Silkaitis, second by Lemke to accept Fiscal Year 2013-2014 Comprehensive Annual Financial Report.

Voice Vote: Unanimous; Nays: None. Chrmn. Turner did not vote as Chairman. **Motion carried.**

5. Executive Session - None

- Personnel
- Pending Litigation
- Probable or Imminent Litigation
- Property Acquisition
- Collective Bargaining
- Review of Minutes of Executive Sessions

Motion by Ald. Bancroft, second by Stellato to enter into Executive Session to discuss Land Acquisition at 7:35 p.m.

Roll Call: Ayes: Bancroft, Martin, Krieger, Bessner, Lewis, Stellato, Silkaitis, Payleitner, Lemke; Nays: None. Chrmn. Turner did not vote as Chairman. **Motion carried.**

Motion by Ald. Martin, second by Stellato to return from Executive Session at 7:38 p.m.

Voice Vote: Unanimous; Nays: None; Chrmn. Turner did not vote as Chairman. **Motion Carried.**

6. Additional Items

None.

7. Adjournment

Motion by Ald. Stellato, second by Silkaitis to adjourn meeting at 7:40 p.m.

Voice Vote: Unanimous; Nays: None. Chrmn. Turner did not vote as Chairman. **Motion carried.**